

Reg. II.4. Income tax—gross receipts tax.—

Miscellaneous Multistate Materials (RIA)

Reg. Income tax—gross receipts tax.—

The definitions of “income tax” and of “gross receipts tax” shall be read together. Any doubt as to whether a particular taxing measure falls under one definition or the other shall be resolved in favor of construction as an income tax in order to more effectually make available the application of the substantive provisions of the Multistate Tax Compact. However, whenever the tax measure in question shall have been construed by the courts in an action involving other than Compact provisions, and a ruling made as to the nature of the tax, such construction will be given great weight, but shall not be conclusive upon the Commission unless the ruling is by the U.S. Supreme Court.